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Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

Attention: Docket No. R-1404 and RIN No. 7100 AD63

Dear Ms. Johnson

I am writing on behalf of First Nebraska Bank, Valley, NE and NETS, Inc., a Nebraska regional non-profit debit card network. I have serious concerns about the "Durbin Amendment" of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The rules the Durbin Amendment directs the Federal Reserve to adopt will dramatically reduce debit interchange fees which will hurt First Nebraska Bank, NETs, and most importantly our customers.

I believe, unfortunately, that the Federal Reserve's Proposed Rule to implement the Durbin Amendment goes much further than is necessary. Interchange fees are not only necessary to cover the electronic transaction itself but also incremental costs such as fixed costs, including capital investments and other soft costs we incur like dealing with inquiries and disputes, fraud losses and fraud prevention costs.

The network routing proposal would not allow NETs, Inc. to serve as one of the networks for purposes of fulfilling the Amendment's multiple network routing requirements even though almost all of the transactions made with NETS cards take place in its coverage area. If First Nebraska Bank is unable to utilize NETs, we will be forced to add more expensive national networks, resulting in greater consolidation among the few national networks that meet the proposed standard.

I ask the Board to consider these concerns, and other concerns financial institutions across the nation, fully. Thank you for the opportunity to express an opinion on these important matters.

Sincerely,

Clark D. Lehr
President/CEO